

## KANSAS RACING AND GAMING COMMISSION

### MINUTES – MARCH 15, 2019

#### CALL TO ORDER (A.)

Chairman Brandon Jones called the March 15, 2019 meeting to order at 10:00 a.m. The meeting was held in the East Tower Conference Room of the Eisenhower State Office Building, 700 SW Harrison, in Topeka, KS. Commissioners David Moses, Larry Turnquist, and Dave Myres were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of Administration, Audit, and Finance Brandi White, Director of Electronic Security and I.T. Dennis Bachman, Director of Electronic Gaming Roger Bailey, Director of Security Joe Herridge, Recording Secretary Sarah Lynch-Chaput, and other staff.

#### MOTION, APPROVE AGENDA (B.)

Commissioner Turnquist (Myres) moved to approve the agenda. Motion carried unanimously.

#### MOTION, APPROVE JANUARY 11, 2019 MEETING MINUTES (C.1.)

Commissioner Moses (Turnquist) moved to approve the minutes of the January 11, 2019 meeting. Motion carried unanimously.

#### MOTION, APPROVE CONSENT AGENDA (D.)

Commissioner Turnquist (Myres) moved to approve the consent agenda. Motion carried unanimously.

#### LOTTERY GAMING FACILITY REPORTS/ITEMS; BOOT HILL CASINO & RESORT (E.1.a.)

Diane Giardine, General Manager, reported:

- January 2019 revenue numbers compared to January 2018:
  - Total gaming revenue decreased 2.37%
  - Total slot revenue increased 5.26%
  - Table games revenue decreased 44.85%
- February 2019 revenue numbers compared to February 2018:
  - Total gaming revenue decreased 0.79%
  - Total slot revenue increased 0.13%
  - Table games revenue decreased 7.54%
- Past Promotions and Events:
  - New Year, No Payments Drawings
  - Jeff Foxworthy, February 8<sup>th</sup>
  - Harlem Globetrotters, February 11<sup>th</sup>
  - Gary Allen, February 15<sup>th</sup>

- Upcoming Promotions and Events:
  - Kansas Lottery Ticket Trade-in Tuesdays
  - Scratch, Match, and Win Thursdays
  - KSHSAA State Basketball, March 6<sup>th</sup>-9<sup>th</sup>
  - Travis Tritt, March 22<sup>nd</sup>
  - Clay Walker, May 10<sup>th</sup>

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS; KANSAS  
STAR  
(E.2.a.)

Jeff Babinski, General Manager, reported:

- January 2019 revenue numbers compared to January 2018:
  - Admissions down 1.8%
  - Total gross gaming revenue up 3.87%
  - Slot coin-in up 6.34%
  - Slot hold down 0.15 points
  - Table games drop down 2.98%
  - Table games hold up 0.45 points
  - Poker room revenue down 3.46%
- February 2019 revenue numbers compared to February 2018:
  - Admissions down 2.3%
  - Total gross gaming revenue down 1.0%
  - Slot coin-in up 2.3%
  - Slot hold down 0.2 points
  - Table games drop down 6.7%
  - Table games hold down 0.7 points
  - Poker room revenue up 0.2%
- Past Events and Promotions:
  - Maize Wrestling Club Battle of the Belt, February 2<sup>nd</sup> - 3<sup>rd</sup>
  - Asian Variety Show, February 9<sup>th</sup>
  - ShoBox: The New Generation of Boxing, February 15<sup>th</sup>
  - Prom of the Ages, February 23<sup>rd</sup>
- Upcoming Events and Promotions:
  - Hollywood's Greatest Gameshow, March 16<sup>th</sup>
  - Coultis Special Education Conference, March 28<sup>th</sup>
  - 3 Doors Down Acoustic, March 30<sup>th</sup>
  - Marauder's Car Show, April 20<sup>th</sup>
  - Howie Mandel, May 4<sup>th</sup>

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS;  
HOLLYWOOD CASINO AT  
KANSAS SPEEDWAY  
(E.3.a.)

Richard Skinner, General Manager, reported:

- January 2019 revenue numbers compared to January 2018:
  - Total gaming revenue was \$11.3 million, an increase of 0.6%

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS; KANSAS  
CROSSING CASINO  
(E.4.a.)

- Table games revenue was \$1.3 million, a decrease of 0.8%
  - Slot revenue was \$9.97 million, an increase of 0.8%
- February 2019 revenue numbers compared to February 2018:
  - Total gaming revenue was \$11.9 million, an increase of 2.7%
  - Table games revenue was \$1.5 million, an increase of 7.7%
  - Slot revenue was \$10.5 million, an increase of 2.0%
- February Events and Promotions:
  - Hollywood Hi-Lo, February 1<sup>st</sup>, 8<sup>th</sup>, and 15<sup>th</sup>
  - Russell Stover Gift Card, February 7<sup>th</sup>
  - Jammin' with the GM and "Beat the First Seat" Slot Tournament, February 9<sup>th</sup>
  - MyChoice Millionaire Slot Tournament, February 22<sup>nd</sup>
- March Events and Promotions
  - Kansas Lottery \$2 Scratch Ticket Giveaway, March 1<sup>st</sup>
  - Crazy 8's Table Games Promotion, March 2<sup>nd</sup>
  - VIP Pays to Play, March 9<sup>th</sup>

Doug Fisher, General Manager, reported:

- January 2019 revenue numbers compared to January 2018:
  - Admissions decreased 3.8%
  - Net slot revenue increased 2.4%
  - Net table games win increased 10.5%
  - Net gaming revenue increased 3.2%
- February 2019 revenue numbers compared to February 2018:
  - Admissions decreased 4.3%
  - Net slot revenue decreased 6.6%
  - Net table games win decreased 10.5%
  - Net gaming revenue increased 7.2%
- Past Events and Promotions:
  - Rock Band, Great White, January 26<sup>th</sup>
  - Bills, Bills, Bills – invited guests received a \$20, \$50, or \$100 bill, February 9<sup>th</sup>
  - Invitational Blackjack Tournament, February 23<sup>rd</sup>
  - All About the Benjamins – Top Prize \$19,000, March 2<sup>nd</sup>
  - Coolio and Tag Team, March 2<sup>nd</sup>
- Upcoming Events and Promotions:
  - Shooter Jennings, March 9<sup>th</sup>
  - VIP Dinner, March 16<sup>th</sup>
  - Dylan Scott, March 21<sup>st</sup>



- Rock to Bach, Classical and Classic Rock Collide, March 29<sup>th</sup> and 30<sup>th</sup>
- Invitational Slot Tournament, March 30<sup>th</sup>

COMMISSION ITEMS –  
OLD BUSINESS  
(F.)

There were no old business items.

COMMISSION ITEMS –  
NEW BUSINESS  
(G.)

Brandi White, Director of Administration, Finance, and Audit presented the proposal for the Kansas Greyhound Association to administer the Kansas Greyhound Registry for calendar year 2019.

MOTION – KANSAS  
GREYHOUND  
ASSOCIATION 2019  
CONTRACT  
(G.)

Commissioner Turnquist (Myres) moved to approve the contract for the Kanas Greyhound Association to administer the Kansas Greyhound Registry in Kansas for calendar year 2019 with no funding provided by KRGC. Motion carried unanimously.

PUBLIC COMMENTS  
(H.)

There were no public comments.

STAFF REPORTS  
(I.1.a. and I.2)

Sarah Lynch-Chaput, Paralegal, reported on the Voluntary Exclusion Program statistics for the months of January and February 2019.

Executive Director Brownlee reported:

- The House Federal and State Affairs Committee scheduled meetings on sports wagering for the week of March 18-22.
- HB 2390 was introduced in the House Federal and State Affairs Committee, and SB 222 was introduced in the Senate Federal and State Affairs Committee. Both bills propose running sports wagering through lottery gaming facilities.
- HB 2068 proposes sports wagering being run through Kansas lottery.
- The KRGC budget has been approved by the Senate Ways and Means Committee and the House Appropriations Committee with no adjustments. The budget still needs to be approved by the full Senate and House.
- Roger Bailey has been elevated to Director of Electronic Gaming.
- Aaron Harvey has been promoted to Supervisor of the Dodge City office.

- Joe Myers has filled the Training Manager position. Joe was an enforcement agent with KRGK for five years.
- Due to scheduling conflicts, the next meeting will be on April 19, 2019.

MOTION, EXECUTIVE  
SESSION; CONFIDENTIAL  
PERSONNEL MATTERS  
(J.1)

Commissioner Myres (Turnquist) moved that the Commission go into executive session for the purpose of discussing confidential personnel matters. Included in the executive session, in addition to the commissioners, was the executive director. The total time for the executive session was anticipated to be twenty minutes until 11:00 a.m. No action is to be taken in executive session, and the subject discussed is to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried unanimously and the meeting was adjourned to executive session at 10:40 a.m.

RECONVENE

The commission meeting returned to open session at 11:00 a.m. with all members present.

MOTION, EXECUTIVE  
SESSION; ATTORNEY-  
CLIENT PRIVILEGE  
(J.2)

Commissioner Turnquist (Moses) moved that the Commission go into executive session for the purpose of confidential attorney-client privileged communications. Those included in the executive session, in addition to the commissioners, were the executive director and general counsel. The total time for the executive session was anticipated to be ten minutes until 11:15 a.m. No action is to be taken in executive session, and the subject discussed is to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried unanimously and the meeting was adjourned to executive session at 11:05 a.m.

RECONVENE

The commission meeting returned to open session at 11:15 a.m. with all members present.

MOTION, EXECUTIVE  
SESSION; BACKGROUND  
REPORTS  
(J.3)

Commissioner Myres (Turnquist) moved that the Commission go into executive session for the purpose of deliberating on license applications, including reviewing confidential background reports. Those included in the executive session, in addition to the commissioners, were the executive director, general counsel, and

director of security. The total time for the executive session was anticipated to be fifteen minutes until 11:35 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried unanimously and the meeting was adjourned to executive session at 11:20 a.m.

RECONVENE

The commission meeting returned to open session at 11:35 a.m. with all members present.

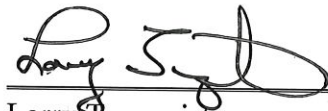
MOTIONS ON LICENSE  
APPLICATIONS  
(K.)

Commissioner Turnquist (Myres) moved to *deny* five license applications, and *approve* the remaining 314 license applications from the March 15, 2019 list of background reports referred to the commission for action. Motion carried unanimously.

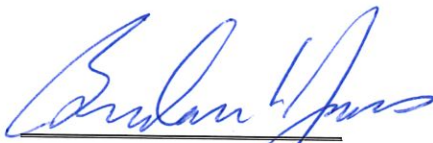
ADJOURN  
(L.)

Commissioner Moses (Myres) moved to adjourn the meeting. Motion carried unanimously. The meeting was adjourned at 11:40 a.m.

SUBMITTED BY:

  
Larry Turnquist  
Secretary

APPROVED BY:

  
Brandon Jones  
Chairman